

LIVINGSTON PARISH CONVENTION AND VISITORS BUREAU

Annual Financial Statements

As of and for the Year Ended December 31, 2013
With Supplemental Information Schedules



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**Livingston Parish Convention and Visitors Bureau
Annual Financial Statements
As of and for the Year Ended December 31, 2013
With Supplemental Information Schedules**

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Independent Auditor's Report

**To the Board Members of the
Livingston Parish Convention and Visitors Bureau
Albany, Louisiana**

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, and each major fund of the Livingston Parish Convention and Visitors Bureau (the "Bureau"), a component unit of the Livingston Parish Council, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Bureau's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Bureau as of December 31, 2013,

and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 7 through 11 and 32 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bureau's basic financial statements. The accompanying schedule listed as Other Supplemental Schedules in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Other Supplemental Schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the Other Supplemental Schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated May 23, 2014, on my consideration of the Bureau's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Bureau's internal control over financial reporting and compliance.

Sincerely,

BRANDY WESTCOTT, LLC



Brandy Westcott Garcia, CPA

Member

Springfield, Louisiana

May 23, 2014

Required Supplemental Information (Part I)

Management's Discussion and Analysis

**Livingston Parish Convention and Visitors Bureau
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended December 31, 2013**

Introduction

Livingston Parish Convention and Visitors Bureau (the "Bureau") is pleased to present its Annual Financial Report developed in compliance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - For State and Local Governments* (GASB 34), as amended. The amendment of GASB 34, including the adoption of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and applicable standards are more fully described in Note 1 – *Summary of Significant Accounting Policies*.

The following Management's Discussion and Analysis (MD&A) of the Bureau is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Bureau's financial activity, (c) identify changes in the Bureau's financial position, (d) identify any significant variations from the Bureau's financial plan, and (e) identify individual fund issues or concerns. Information contained in this MD&A should be considered in conjunction with the information contained in the financial statements and the notes thereto that follow this section.

Financial Highlights

- At December 31, 2013, the Bureau's assets exceeded its liabilities by \$1,076,624 (net position). Of this amount, \$824,016 (unrestricted net position) may be used to meet the Bureau's ongoing obligations at its discretion.
- The Bureau's total assets increased by \$19,286 or approximately 2% relating primarily to an increase in receivables related to a Louisiana Tourism grant as well as amount due from other governments partially offset by a decrease in investments and prepaid items. Likewise, total net position increased by \$10,564 or approximately 1%.
- Total cash and investments at December 31, 2013 represent approximately 68% of the Bureau's total assets and net capital assets represent approximately 23% of total assets. The remaining 9% consists of amounts receivables related to a Louisiana Tourism grant, amounts due from other governments, and advertising deposits prepaid using Louisiana Tourism grant funds.
- At December 31, 2013, the general fund reported ending fund balance of \$824,016, an increase of \$5,836 for the year. Of this amount, \$812,391 or approximately 99% is available for spending at the Bureau's discretion (unassigned fund balance). The remaining \$11,625 is nonspendable fund balance related to advertising deposits prepaid using Louisiana Tourism grant funds.

Overview of the Annual Financial Report

The financial statement focus is on both the Bureau as a whole and on the major individual funds. Both perspectives, government-wide and major funds, allow the user to address relevant questions, broaden a basis for comparison, and enhance the Bureau's accountability. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The MD&A is intended to serve as an introduction to the Bureau's basic financial statements, which consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Basic Financial Statements

The Bureau's Basic Financial Statements include the Government Wide Financial Statements (GWFS), the Fund Financial Statements (FFS), and the notes to the financial statements. These statements are prepared in accordance with U.S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB).

**Livingston Parish Convention and Visitors Bureau
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended December 31, 2013**

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Bureau's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on the Bureau's assets and liabilities using the accrual basis of accounting, in a manner similar to the accounting used by private business enterprises. The difference between the assets and liabilities is reported as net position. Over time, the increases or decreases in net position and changes in the components of net position may serve as a useful indicator of whether the financial position of the Bureau is improving or deteriorating.

The Statement of Activities presents information showing how the Bureau's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities that are supported by the Bureau's general tax and other revenues. This is intended to summarize and simplify the reader's analysis of the cost of various governmental services.

In both of the government-wide financial statements, the Bureau's activities are of a single type:

Governmental activities - All of the Bureau's basic services are reported here and are financed primarily through tourist tax revenue and Louisiana improvement fund revenue.

The government-wide financial statements include only the Livingston Parish Convention and Visitor's Bureau (a component unit of the Livingston Parish Council) and can be found on pages 13 and 14 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Bureau, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. The Bureau uses a single category of funds to account for financial transactions: governmental funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Governmental funds are used to account for most of the Bureau's basic services. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances that are left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Bureau's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Bureau's programs. The basic governmental fund financial statements begin on page 15 of this report.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, there are differences in the information presented for government funds and for governmental activities in the government-wide financial statements. Review of these differences provides the reader of the financial statements insight on the long-term impact of the Bureau's more immediate decisions on the current use of financial resources. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The reconciliations can be found on pages 17 and 19 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 20 of this report.

**Livingston Parish Convention and Visitors Bureau
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended December 31, 2013**

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of Bureau's net position for the current year as compared to the prior year.

**Net Position
2013 and 2012**

	Governmental Activities		Increase (Decrease)
	2013	2012	
ASSETS:			
Current Assets	\$ 799,428	\$ 762,643	\$ 36,785
Noncurrent Assets	50,602	72,829	(22,227)
Capital Assets, Net	252,608	247,880	4,728
Total Assets	1,102,638	1,083,352	19,286
LIABILITIES:			
Current Liabilities	26,014	17,292	8,722
Total Liabilities	26,014	17,292	8,722
NET POSITION:			
Net Investment in Capital Assets	252,608	247,880	4,728
Unrestricted	824,016	818,180	5,836
Total Net Position	\$ 1,076,624	\$ 1,066,060	\$ 10,564

Approximately 77% of the Bureau's net position is unrestricted and may be used to meet the Bureau's ongoing obligations at the Bureau's discretion. Approximately 23% of the Bureau's net position reflects its investment in capital assets net of any outstanding related debt used to acquire those capital assets. Although it is reported net of related debt, the Bureau does not currently hold any long term debt on the capital assets.

In order to further understand what makes up the changes in net position, the following table provides a summary of the results of the Bureau's activities for the current year as compared to the prior year. An analysis of the primary sources of these changes follows the table.

**Changes in Net Position
For the Years Ended December 31, 2013 and 2012**

	Governmental Activities		Variance	
	2013	2012	Dollar	Percentage
Revenues:				
General Revenues:				
Tourist Tax	\$ 288,003	\$ 310,475	\$ (22,472)	-7%
LA Tourism Recovery Grant	138,000	60,928	77,072	126%
Improvement Fund - State of Louisiana	180,958	169,042	11,916	7%
Other General Revenues	2,538	4,598	(2,060)	-45%
Total General Revenues	609,499	545,043	64,456	12%
Expenses:				
Governmental Activities	598,935	483,147	115,788	24%
Change in Net Position	10,564	61,896	(51,332)	-83%
Net Position, Beginning	1,066,060	1,004,164	61,896	6%
Net Position, Ending	\$ 1,076,624	\$ 1,066,060	\$ 10,564	1%

**Livingston Parish Convention and Visitors Bureau
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended December 31, 2013**

The Bureau's net position increased by \$10,564. Revenues consisted of all general revenues and increased by approximately \$64,456 or approximately 12% as detailed above. Governmental expenses in 2013 increased over the prior year by \$115,788 or approximately 24%. The increases in expenses were mainly due to the following: Increase in Louisiana Tourism Recovery expenses of approximately \$62,000; increase in salaries and wages of approximately \$26,000 due to the hiring of an Assistant Director during 2013, increase in advertising and promotions of approximately \$18,000; and an increase in professional services of approximately \$11,000 primarily related to marketing professional services.

Fund Financial Analysis

As noted earlier, the Bureau uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Bureau has only one fund type – governmental funds. The focus of the Bureau's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Bureau's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Bureau's net resources available for spending at the end of the year.

At the end of the current year, the Bureau's one governmental fund (the general fund) reported ending fund balance of \$824,016; \$812,391 was available for spending at the Bureau's discretion (unassigned fund balance).

Major Governmental Fund Budgetary Highlights

The Executive Director prepares the annual budget which is based on what is expected to be collected during the fiscal year and is then approved by the Board. The adopted budget constitutes the authority of the Bureau to incur liabilities and authorize expenditures from the respective budgeted funds. Additionally, certain expenditures are approved monthly by the Board before payment.

As indicated on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual on page 32, for the year ending December 31, 2013, the Bureau had a net favorable variance of \$15,326 in total revenue and a net unfavorable variance of \$14,183 in expenditures between the final amended budget and the final results. The variances were primarily due to higher than expected improvement fund revenue and higher than expected promotional spending and travel promoting the area.

Capital Assets

The following table provides a summary of the Bureau's capital assets at the end of the current year as compared to the prior year. For more detailed information, see Note 7 to the financial statements.

Capital Assets 2013 and 2012		
	Governmental Activities	
	2013	2012
Capital Assets		
Land	\$ 120,350	\$ 120,350
Buildings	114,523	112,088
Infrastructure	60,000	60,000
Furniture & Fixtures	14,617	12,246
Vehicles	28,234	28,234
Machinery & Equipment	37,985	21,976
Subtotal Capital Assets	<u>375,708</u>	<u>354,894</u>
Less: Accumulated Depreciation	<u>(123,100)</u>	<u>(107,014)</u>
Total Capital Assets, Net	<u>\$ 252,608</u>	<u>\$ 247,880</u>

**Livingston Parish Convention and Visitors Bureau
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended December 31, 2013**

The increase in the current year is due primarily to machinery and equipment purchases primarily related to trash pickup and litter control.

Debt

The Bureau had no outstanding debt as of December 31, 2013 and 2012.

Other Factors Affecting the Bureau

The Bureau's management approach is conservative. The Executive Director and Board attempt to manage spending based on existing revenues. The Bureau does not anticipate major changes in results for the December 31, 2014 annual budget and no substantial changes have been projected.

Contacting the Bureau's Management

This financial report is designed to provide the citizens of Livingston Parish and visitors with a general overview of the Bureau's finances and to show the Bureau's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Livingston Parish Convention and Visitors Bureau's Executive Director at P.O. Box 1057, Albany, Louisiana 70711.

Basic Financial Statements

Government-Wide Financial Statements

Livingston Parish Convention and Visitors Bureau
Statement of Net Position
As of December 31, 2013

Statement A

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 625,958
Investments	72,828
Due from Other Governments	61,417
Accounts Receivable - LA Tourism Recovery	27,600
LA Tourism Recovery Advertising Deposits	11,625
Other Advertising Deposits	-
Prepaid Expenses	-
Total Current Assets	<u>799,428</u>

Noncurrent Assets

Investments	50,602
Capital Assets, Net	<u>252,608</u>
Total Noncurrent Assets	<u>303,210</u>

Total Assets

1,102,638

LIABILITIES

Current Liabilities

Accounts Payable	13,483
Accrued Payroll	6,626
Accrued Payroll Taxes	<u>5,905</u>
Total Current Liabilities	<u>26,014</u>

Total Liabilities

26,014

NET POSITION

Net Position

Net Investment in Capital Assets	252,608
Unrestricted	<u>824,016</u>
Total Net Position	<u>\$ 1,076,624</u>

The accompanying notes are an integral part of this statement.

**Livingston Parish Convention and Visitors Bureau
Statement of Activities
For the Year Ended December 31, 2013**

			Statement B
	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>	<u>Net Revenue (Expense) and Changes in Net Position Governmental Activities</u>
Governmental Activities			
Salaries and Wages	\$ 162,159	\$ -	\$ (162,159)
Advertising and Publications	74,306	-	(74,306)
Depreciation Expense	16,086	-	(16,086)
LA Tourism Recovery - BP	130,355	-	(130,355)
GUMBO Regional Marketing	8,974	-	(8,974)
Professional Services	37,030	-	(37,030)
Utilities	6,510	-	(6,510)
Telephone	5,222	-	(5,222)
Insurance	7,646	-	(7,646)
Payroll Tax	12,239	-	(12,239)
Automotive	5,109	-	(5,109)
Board Meetings	2,535	-	(2,535)
Conferences	4,010	-	(4,010)
Collection Cost	9,020	-	(9,020)
Office Supplies	5,967	-	(5,967)
Promotions	44,718	-	(44,718)
Dues	4,437	-	(4,437)
Repairs and Maintenance	9,905	-	(9,905)
Uniforms	842	-	(842)
Miscellaneous	1,198	-	(1,198)
Intergovernmental Payments	9,000	-	(9,000)
Meals	4,227	-	(4,227)
Travel	14,304	-	(14,304)
Equipment Rental	6,136	-	(6,136)
Grants	17,000	-	(17,000)
Total Governmental Activities	<u>598,935</u>	<u>-</u>	<u>(598,935)</u>
General Revenues:			
Tourist Tax			288,003
LA Tourism Recovery Grant			138,000
Improvement Fund - State of Louisiana			180,958
Miscellaneous Revenue			61
Interest Earned			3,377
Net Increase (Decrease) in Fair Value of Investments			(900)
Total General Revenues			<u>609,499</u>
Change in Net Position			<u>10,564</u>
Net Position, Beginning			<u>1,066,060</u>
Net Position, Ending			<u><u>\$ 1,076,624</u></u>

The accompanying notes are an integral part of this statement.

Basic Financial Statements

Fund Financial Statements

Livingston Parish Convention and Visitors Bureau
Balance Sheet
Governmental Funds
As of December 31, 2013

Statement C

	General Fund
Assets	
Cash and Cash Equivalents	\$ 625,958
Due from Other Governments	61,417
Accounts Receivable - LA Tourism Recovery	27,600
LA Tourism Recovery Advertising Deposits	11,625
Other Advertising Deposits	-
Prepaid Expenses	-
Investments	123,430
Total Assets	<u>850,030</u>
Liabilities	
Accounts Payable	13,483
Accrued Payroll	6,626
Accrued Payroll Taxes	5,905
Total Liabilities	<u>26,014</u>
Fund Balance	
Nonspendable	11,625
Unassigned	812,391
Total Fund Balance	<u>824,016</u>
Total Liabilities and Fund Balance	<u><u>\$ 850,030</u></u>

The accompanying notes are an integral part of this statement.

**Livingston Parish Convention and Visitors Bureau
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Financial Statement of Net Position
As of December 31, 2013**

Statement D

Total Fund Balance, Governmental Funds (Statement C)	\$	824,016
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Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Governmental Capital Assets, Net of Accumulated Depreciation		252,608
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Net Position, Governmental Activities (Statement A)	\$	<u><u>1,076,624</u></u>
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The accompanying notes are an integral part of this statement.

Livingston Parish Convention and Visitors Bureau
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2013

Statement E

	General Fund
Revenues	
Tourist Tax	\$ 288,003
LA Tourism Recovery Grant	138,000
Improvement Fund - State of Louisiana	180,958
Miscellaneous Revenue	61
Interest Earned	3,377
Net Increase (Decrease) in Fair Value of Investments	(900)
Total Revenues	609,499
Expenditures	
Salaries and Wages	162,159
Advertising and Publications	74,306
LA Tourism Recovery - BP	130,355
GUMBO Regional Marketing	8,974
Professional Services	37,030
Utilities	6,510
Telephone	5,222
Insurance	7,646
Payroll Tax	12,239
Automotive	5,109
Board Meetings	2,535
Conferences	4,010
Collection Cost	9,020
Office Supplies	5,967
Promotions	44,718
Dues	4,437
Repairs and Maintenance	9,905
Uniforms	842
Miscellaneous	1,198
Intergovernmental Payments	9,000
Meals	4,227
Travel	14,304
Equipment Rental	6,136
Grants	17,000
Capital Outlay	20,814
Total Expenditures	603,663
Excess (Deficiency) Revenues Over (Under) Expenditures	5,836
Other Financing Sources (Uses)	
Sale of Fixed Asset	-
Total Other Financing Sources (Uses)	-
Net Change in Fund Balance	5,836
Fund Balance, Beginning	818,180
Fund Balance, Ending	\$ 824,016

The accompanying notes are an integral part of this statement.

**Livingston Parish Convention and Visitors Bureau
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2013**

Statement F

Total Net Change in Fund Balance, Governmental Funds (Statement E)	\$	5,836
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Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.

Expenditures for capital assets	\$	20,814	
Less:			
Current year depreciation		<u>(16,086)</u>	<u>4,728</u>
Change in Net Position, Governmental Activities (Statement B)	\$		<u>10,564</u>

The accompanying notes are an integral part of this statement.

Basic Financial Statements

Notes to the Financial Statements

Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

INTRODUCTION

The Livingston Parish Convention and Visitors Bureau (the "Bureau"), formerly the Livingston Tourism Bureau, is a body corporate, created by the Livingston Parish Police Jury, now the Livingston Parish Council, by Ordinance 79-12-1 as provided for by Louisiana Revised Statutes, R.S. 33:4574. The Bureau is governed by a board of seven directors who are appointed by the Livingston Parish Council.

The financial statements of the Bureau have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting. On June 30, 2002, the GASB issued a codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governments units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining the reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, Livingston Parish Convention and Visitors Bureau is considered a component unit of the Livingston Parish Council. As a component unit, the accompanying financial statements are to be included within the reporting of the primary government, either blended within those financial statements or separately reported as discrete component units.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

Government Wide Financial Statements - The government-wide financial statements (i.e., the Statement of Net Position and the Statements of Activities) report information on all of the nonfiduciary activities of the Bureau. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Bureau does not have any business-type activities and reports only governmental activities. The Bureau has only one fund so there is no interfund activity.

These financial statements are presented in accordance with GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments* (GASB 34). GASB 34 established standards for financial reporting, with presentation requirements originally including a statement of net assets (or balance sheet), a statement of activities, and a statement of cash flows. The definition and composition of these statements, as originally defined in GASB Statement No. 34, are amended by GASB Statements included in the following paragraphs. The Bureau has also adopted the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, that require capital contributions to the Bureau to be presented as a change in net position.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for financial statement periods ending after December 15, 2012, provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined *Deferred Outflows of Resources* as a consumption of net assets by the government that is applicable to a future reporting period, and *Deferred Inflows of Resources* as an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are

Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

distinct from assets and liabilities. GASB Concepts Statement 4 identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The definition and reporting of net position is further described in *Footnote 1.1 – Net Position and Fund Balance*. As required by the Governmental Accounting Standards Board (GASB), the Bureau implemented GASB Statement No. 63 during the year ending December 31, 2012. The Bureau did not have any deferred outflows or deferred inflows of resources at December 31, 2012 or 2013.

During the year ending December 31, 2012, the Bureau also adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The Bureau did not have any deferred outflows of resources or deferred inflows of resources at December 31, 2012 or 2013.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues, are reported instead as general revenues.

Fund Financial Statements - Separate financial statements are provided for governmental funds. All individual governmental funds are presented as separate columns in the fund financial statements. The Bureau only reports one governmental fund - the general fund.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable, if any, due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

The Bureau reports the following major governmental funds:

- The *General Fund* is the Bureau's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the Bureau's policy to use restricted resources first, then unrestricted resources as they are needed.

When restricted, committed, assigned, or unassigned fund balances are available for use, the Bureau considers amounts to have been spent first out of restricted funds, committed funds, then assigned funds, and finally unassigned funds as needed, unless provided otherwise in the restriction, commitment or assignment actions.

C. Deposits and Investments

The Bureau's cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Bureau's investment policy allow the Bureau to only invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities.

Investments are reported at fair market value.

D. Receivables and Payables

All trade and tax receivables are shown net of an allowance for uncollectible. The Bureau periodically evaluates the collectibility of delinquent accounts. The Bureau's experience has been that receivable write-offs have been very low.

E. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

F. Restricted Assets

Certain proceeds of specific revenue sources that are legally restricted to expenditures for a specified purpose are classified as restricted assets because their use is limited to specific expenditures.

G. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Bureau maintains a threshold level of \$500 or more

Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

Description	Estimated Useful Lives
Buildings & Improvements	15 - 40 Years
Vehicles, Machinery & Equipment	5 - 15 Years
Furniture & Fixtures	5 - 10 Years

H. Compensated Absences

The Bureau has the following policy related to vacation and sick leave: Each full-time employee, after one year of service, is entitled to annual vacation and each full-time employee is entitled to sick leave as follows:

	Years of Service		
	1	2	5+
Vacation Days of Leave per Year	1	14	20
Sick Days of Leave per Year	12	12	12

Vacation leave cannot be accrued and must be taken in the anniversary year it is acquired. Sick leave can accrue at a rate of one day for each month of continuous employment until a maximum of 180 days has been accumulated.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the governmental fund when leave is taken.

In accordance with GASB-16, *Accounting for Compensated Absences*, no liability has been accrued for unused employee sick leave

I. Net Position and Fund Balance

GASB Statement No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments*, required reclassification of net assets into three separate components. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, revised the terminology by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. GASB Statement No. 63 requires the following components of net position:

- **Net Investment in Capital Assets** - This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds or indebtedness attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net

Livingston Parish Convention and Visitors Bureau
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position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

- **Restricted** - This component of net position consists of constraints placed on net position use through external constraints that are externally imposed by creditors, grantors, contributors or laws or regulations of other governments. It consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
- **Unrestricted** - This component of net position consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

In the fund statements, governmental fund equity is classified as fund balance. The Bureau adopted GASB 54 for the year ended December 31, 2011. As such, fund balances of governmental funds are classified as follows:

- **Nonspendable** - These are amounts that cannot be spent either, because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** - These are amounts that can be spent only for specific purposes, because of constitutional provisions, enabling legislation or constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed** - These are amounts that can be used only for specific purposes determined by a formal vote of the Board, which is the highest level of decision making authority for the Bureau.
- **Assigned** - These are amounts that do not meet the criteria to be classified as restricted or committed, but are intended to be used for specific purposes based on the discretion of the Board.
- **Unassigned** - These are amounts that have not been assigned to other funds and amounts that have not been restricted, committed, or assigned to specific purposes within the general fund. Also within other governmental funds, includes expenditure amounts incurred for specific purposes which exceeds the amounts restricted, committed or assigned to those purposes.

J. Comparative Data/Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

K. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Bureau, which are either unusual in nature or infrequent in occurrence.

L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial

Livingston Parish Convention and Visitors Bureau
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statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

M. Reconciliations of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position is presented in Statement D of the basic financial statements. Explanation of certain differences between the governmental fund statement of revenues, expenses, and changes in fund balances and the government-wide statement of activities is presented in Statement F of the basic financial statements.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The Bureau utilizes the following budgetary practices:

The Executive Director of the Bureau prepares the annual budget, which is based on what is expected to be collected during the fiscal year, and the budget is approved by the Bureau's Board. The adopted budget constitutes the authority of the Bureau to incur liabilities and authorize expenditures from the respective budgeted funds. Additionally, certain expenditures are approved monthly by the Board before payment. All budget amounts presented in the financial statements have been adjusted for legally authorized revisions of annual budget during the year. Appropriations, lapse at the end of each year.

Budgets for the general fund are adopted on a basis consistent with generally accepted accounting principles (GAAP) and presented on the modified accrual basis of accounting. Accordingly, the budgetary comparison schedules present actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. All budgetary amounts presented reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

There were no material variances in actual revenues and other sources under budgeted revenues and other sources or actual expenditures and other sources over budgeted amounts for the fiscal year ended December 31, 2013.

3. CASH AND CASH EQUIVALENTS

At December 31, 2013, the District has deposits (book balances) as follows:

Interest-Bearing Demand Deposits	\$ 194,765
Interest-Bearing Government Money Markey Deposits	234,737
Louisiana Asset Management Pool Funds	196,456
Total Cash and Cash Equivalents	<u>625,958</u>
Certificates of Deposit Held as Investments (See Note 4)	<u>72,828</u>
Total Deposits	<u><u>\$ 698,786</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Livingston Parish Convention and Visitors Bureau
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As of and for the Year Ended December 31, 2013

Custodial credit risk as it relates to cash deposits is the risk that in the event of a bank failure, the government's deposits may not be returned. At December 31, 2013, the Bureau had \$435,527 in deposits (collected bank balances) other than LAMP, consisting of \$200,790 in demand deposits and \$234,737 in money market deposits. The demand deposits are secured from risk by \$250,000 of federal deposit insurance. The money market deposits are secured by U.S. government securities. At December 31, 2013, the Bureau also had \$72,828 in certificates of deposit held as investments secured from risk by \$250,000 of federal deposit insurance.

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The Bureau records its investment in LAMP as cash and cash equivalents. See further discussion on LAMP in Note 4.

4. INVESTMENTS

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Bureau or its agent in the Bureau's name;
2. Uninsured and unregistered with securities held by the counterparty's trust department or agent in the Bureau's name; or
3. Uninsured and unregistered with securities held by the counterparty, or by its trust department or agent, but not in the Bureau's name.

At December 31, 2013, the Bureau's investment balances consisted of the following:

	<u>Maturity Date</u>	<u>Carrying Amount</u>	<u>Fair Market Value</u>
Certificates of Deposit			
	May 16, 2014	\$ 72,828	\$ 72,828
		<u>72,828</u>	<u>72,828</u>
Bonds			
Federal National Mortgage Association			
Medium Term Note (AA+/Aaa/AAA)	January 30, 2017	50,602	50,602
		<u>50,602</u>	<u>50,602</u>
	Total	<u>\$ 123,430</u>	<u>\$ 123,430</u>

In accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, all investments are carried at fair market value. All fair market values are based on quoted market prices except the certificate of deposit maturing May 16, 2014. This investment is started at cost, which approximates market.

Interest Rate Risk: The Bureau does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

In accordance with GASB Codification Section 150.165, the assets held in the Louisiana Asset Management Pool (LAMP), an external investment pool, are not categorized in the three risk categories provided by GASB Codification Section 150.164, because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. The investment in LAMP is stated at the value of the pool shares, which is the same as the fair value, and has been categorized as cash equivalents. LAMP is administered by LAMP, Inc. a non-profit corporation organized under the laws of the State of Louisiana, which

Livingston Parish Convention and Visitors Bureau
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As of and for the Year Ended December 31, 2013

was formed by an initiative of the State Treasurer in 1993. The Corporation is governed by a board of directors comprised of the State treasurer, representatives from various organizations of local government, the Government Finance Office Association of Louisiana, and the Society of Louisiana CPAs. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest.

LAMP is subject to the regulator oversight of the State Treasurer and the Board of Directors. LAMP is not registered with the SEC as an investment company.

While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

GASB 40, Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7 - like investment pool. The following facts are relevant for 2a7 like investment pools:

1. Credit risk: LAMP is rated AAAM by Standard and Poor's
2. Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment pool, not the securities that make up the pool; therefore no disclosure is required.
3. Concentration of credit risk: Pooled investments are excluded from the five percent disclosure requirement.
4. Interest rate risk: 2a7-like investment pools are excluded from this disclosure requirement per paragraph 15 of the GASB 40 statement. However, LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments, as provided by LAMP, is 60 days as of December 31, 2013.
5. Foreign currency risk: Not applicable to 2a7-like pools.

LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with SEC as an investment company. LAMP, Inc., issues an annual publicly available financial report that includes financial statements and required supplementary information for LAMP, Inc. That report may be obtained by calling (800) 249-5267.

5. RECEIVABLES

Due from Other Governments consisted of the following at December 31, 2013:

Livingston Parish School Board - Tourist Tax	\$ 41,590
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Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

State of Louisiana - Improvement Fund	19,827
Total Due from Other Governments	<u>\$ 61,417</u>

Accounts Receivable - LA Tourism Recovery consisted of the following at December 31, 2013:

LA Tourism Recovery Grant Receivable	\$ 27,600
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6. XEROX COPIER LEASE

The Bureau entered into an operating lease agreement with the Xerox Corporation for a copier in October 2010 with payments beginning December 2010. The life of the lease is five years (sixty months) and the minimum lease payment is \$392.30 per month. Additional charges for printing are stipulated in the lease. Rental expense under this lease was \$6,136 for the year ended December 31, 2013. Future minimum lease payments under this lease are \$4,707.60 for the next two years.

7. CAPITAL ASSETS

Capital Assets activity for the year ended December 31, 2013, was as follows:

	Balance at 1/1/2013	Increases	Decreases	Balance at 12/31/2013
Capital Assets Not Being Depreciated:				
Land	\$ 120,350	\$ -	\$ -	\$ 120,350
Total Capital Assets Not Being Depreciated	<u>120,350</u>	<u>-</u>	<u>-</u>	<u>120,350</u>
Capital Assets Being Depreciated:				
Buildings	112,088	2,435	-	114,523
Infrastructure	60,000	-	-	60,000
Furniture & Fixtures	12,246	2,371.00	-	14,617
Vehicles	28,234	-	-	28,234
Machinery & Equipment	21,976	16,009	-	37,985
Total Capital Assets Being Depreciated	<u>234,544</u>	<u>20,815.00</u>	<u>-</u>	<u>255,359</u>
Less: Accumulated Depreciation For:				
Buildings	(30,933)	(3,455)	-	(34,388)
Infrastructure	(42,000)	(3,000)	-	(45,000)
Furniture & Fixtures	(12,247)	(125.00)	-	(12,372)
Vehicles	(7,530)	(5,647)	-	(13,177)
Machinery & Equipment	(14,304)	(3,860)	-	(18,164)
Total Accumulated Depreciation	<u>(107,014)</u>	<u>(16,087)</u>	<u>-</u>	<u>(123,101)</u>
Capital Assets Being Depreciated, Net	<u>127,530</u>	<u>4,728</u>	<u>-</u>	<u>132,258</u>
Total Capital Assets, Net	<u>\$ 247,880</u>	<u>\$ 4,728</u>	<u>\$ -</u>	<u>\$ 252,608</u>

Livingston Parish Convention and Visitors Bureau
Notes to the Financial Statements
As of and for the Year Ended December 31, 2013

8. RISK MANAGEMENT

The Bureau is exposed to various risks of loss related to theft, damage, or destruction of assets, torts, injuries, natural disasters, and many other unforeseeable events. The Bureau maintains commercial insurance policies for the claims related to the aforementioned risks. The Bureau's payment of the insurance policy deductible is the only liability associated with these policies.

9. CONTINGENT LIABILITIES

At December 31, 2013, the Bureau was not involved in any outstanding litigation or claims.

10. SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through May 23, 2014, the date the financial statements were available for issuance. No events were noted that require recording or disclosure in the financial statements for the fiscal year ending December 31, 2013.

Required Supplemental Information (Part II)

Livingston Parish Convention and Visitors Bureau
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Governmental Funds
For the Year Ended December 31, 2013

	General Fund		Actual	Variance With
	Budgeted Amounts		Amounts:	Final Budget:
	Original	Final	GAAP	Favorable
			Basis	(Unfavorable)
Revenues				
Tourist Tax Revenue	\$ 300,000	\$ 300,000	\$ 288,003	\$ (11,997)
Improvement Fund	169,000	155,173	180,958	25,785
LA Tourism Recovery Grant	138,000	138,000	138,000	-
Interest Income	1,000	1,000	3,377	2,377
Net Increase (Decrease in Fair				
Value of Investments	-	-	(900)	(900)
Miscellaneous Income	-	-	61	61
Total Revenues	608,000	594,173	609,499	15,326
Expenditures				
Salaries and Wages	137,000	160,000	162,159	(2,159)
Advertising and Publications	50,000	71,000	74,306	(3,306)
LA Tourism Recovery - BP	138,000	146,200	130,355	15,845
GUMBO Regional Marketing	8,000	6,000	8,974	(2,974)
Professional Services	33,500	34,500	37,030	(2,530)
Utilities	7,000	6,200	6,510	(310)
Telephone	4,000	5,100	5,222	(122)
Taxes, License and Permits	200	-	-	-
Insurance	8,000	7,700	7,646	54
Payroll Tax	12,000	12,000	12,239	(239)
Automotive	8,000	7,600	5,109	2,491
Conferences	6,000	3,900	4,010	(110)
Collection Cost	9,000	9,100	9,020	80
Office Supplies	7,000	5,500	5,967	(467)
Promotions	50,000	35,000	44,718	(9,718)
Dues	3,000	4,100	4,437	(337)
Repairs and Maintenance	8,000	10,500	9,905	595
Uniforms	1,000	1,000	842	158
Board Meetings	3,000	3,200	2,535	665
Intergovernmental Payments	31,000	5,000	9,000	(4,000)
Meals	5,000	4,100	4,227	(127)
Travel	10,000	3,500	14,304	(10,804)
Equipment Rental	7,000	6,200	6,136	64
Grants	20,000	21,000	17,000	4,000
Capital Outlay	20,000	20,000	20,814	(814)
Miscellaneous	2,200	1,080	1,198	(118)
Total Expenditures	587,900	589,480	603,663	(14,183)
Excess Revenues Over Expenditures	20,100	4,693	5,836	1,143
Other Financing Sources (Uses)				
Sale of Fixed Asset	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change In Fund Balance	20,100	4,693	5,836	
Fund Balance, Beginning	818,180	818,180	818,180	
Fund Balance, Ending	\$ 838,280	\$ 822,873	\$ 824,016	

See Independent Auditor's Report.

Other Supplemental Schedules

**Livingston Parish Convention and Visitors Bureau
Schedule of Compensation Paid to Board Members
For the Year Ended December 31, 2013**

Schedule 2

Name	Address	Compensation Received
Donna Jennings	PO Box 1629 Denham Springs, LA 70727	\$ -
Denise Martin	26015 Hwy. 43 Springfield, LA 70462	\$ -
Dean Lawrence	11386 Judalon Dr. Denham Springs, LA 70726	\$ -
Terry Hughes	29835 Joe Albin Rd. Livingston, LA 70754	\$ -
Bridgette Rushing	238 N. College East Denham Springs, LA 70726	\$ -
Lloyd Bee Martin	PO Box 146 Albany, LA 70711	\$ -
Shannon "Sam" Mack	19675 Perrilloux Rd. Livingston, LA 70754	\$ -

The Board Members of the Bureau are not financially compensated in any way.

The Schedule of Compensation Paid to Board Members is presented in compliance with House Concurrent Resolution 54 of the 1979 Session of the Louisiana Legislature. All terms expire February 2014.

See Independent Auditor's Report.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**To the Board Members of the
Livingston Parish Convention and Visitors Bureau**

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of the Livingston Parish Convention and Visitors Bureau (the "Bureau"), a component unit of the Livingston Parish Council, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Bureau's basic financial statements, and have issued my report thereon dated May 23, 2014.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Bureau's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control. Accordingly, I do not express an opinion on the effectiveness of the Bureau's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bureau's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of

my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2013-1 and 2013-2.

Livingston Parish Convention and Visitors Bureau Response to Findings

The Bureau's response to the findings identified in my audit is described in the accompanying schedule of findings and responses. The Bureau's response was not subject to the auditing procedures applied in the audit of financial statements and, accordingly, I express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sincerely,

BRANDY WESTCOTT, LLC

A handwritten signature in black ink that reads "B. Garcia, CPA". The signature is written in a cursive, flowing style.

Brandy Westcott Garcia, CPA
Member

Springfield, La
May 23, 2014

**Livingston Parish Convention and Visitors Bureau
Schedule of Findings and Responses
For the Year Ended December 31, 2013**

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of the Livingston Parish Convention and Visitors Bureau (the "Bureau"), a component unit of the Livingston Parish Council, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Bureau's basic financial statements, and have issued my report thereon dated May 23, 2014. My audit of the financial statements as of December 31, 2013, resulted in an unmodified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance and Other Matters Material to the Financial Statements

Internal Control

Material Weaknesses ☐ Yes ☒ No Significant Deficiencies ☐ Yes ☒ No

Compliance

Compliance Material to Financial Statements ☒ Yes ☐ No

b. Federal Awards ☒ Not Applicable

Internal Control

Material Weaknesses ☐ Yes ☐ No Significant Deficiencies ☐ Yes ☐ No

Type of Opinion On Compliance

Unqualified ☐

Qualified ☐

For Major Programs

Disclaimer ☐

Adverse ☐

Are there findings required to be reported in accordance with Circular A-133, Section .510(a)?

☐ Yes ☐ No

Was a management letter issued? ☐ Yes ☒ No

c. Identification of Major Programs:

CFDA Number(s)

Name of Federal Program (or Cluster)

Dollar threshold used to distinguish between Type A and Type B Programs: \$_____

Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133?

☐ Yes ☐ No

Section II Financial Statement Findings

Finding 2013-1 Budget Preparation (Noncompliance)

Criteria: The Local Budget Act, specifically, LRS 39:1305, requires a comprehensive budget be presented for the general fund and each special revenue fund. The budget document must include a budget message and a statement. The statement is to include estimated fund balance at the beginning of the year; estimates of all receipts and revenues to be received; revenues itemized by source; recommended expenditures itemized by agency, department, function, and character; other financing sources and uses by source and use; and the estimated fund balance at the end of the fiscal year. Such statement should include a side by side detailed comparison of such information for the current year, including the fund balance at the beginning of the year, year-to-date actual receipts and revenues received and estimates of all receipts and revenues to be received the remainder of the year; estimated and actual revenues itemized by source; year-to-date actual expenditures and estimates of all expenditures to be made the remainder of the year itemized by agency, department, function, and character; other financing sources and uses by source and use, both year-to-date actual and estimates for the remainder of the year; the year-to-date actual and estimated fund balance at the end of the fiscal year; and the percentage change for each item of information.

Condition: The Bureau did not present its 2013 original budget statement in the format prescribed by LRS 39:1305. The 2013 original budget statement that was presented to and approved by the Board included the following: estimates of all receipts and revenues to be received; revenues itemized by source; recommended expenditures itemized by agency, department, function, and character; other financing sources and uses by source and use; and estimated change in fund balance. The 2013 original budget did not include the required side-by-side detailed comparison as outlined above. While a comparison of 2013 estimated information to the current year information was performed and evaluated by the Executive Director in preparing the 2013 budget, it was not formally prepared or presented to the Board in the budget statement. The budget amendment adopted for 2013 presented an amended budget statement which included the required side-by-side detailed comparison as outlined above.

Cause: The 2013 original budget was issued prior to the presentation of prior year audit findings and as such, noncompliance continued from the prior year due an oversight.

Effect: Noncompliance with a provision of the Local Budget Act (Specifically LRS 39:1305).

Recommendation: The Bureau should prepare its budget in accordance with the Local budget act and seek professional assistance when needed.

Management's Response: The Executive Director will familiarized himself with the Local Budget Act and asked the members of the Board to do the same. The Executive director prepared and presented a 2013 budget amendment that included the required side-by-side detailed comparison. Going forward, the Executive Director intends to prepare the Bureau's budget and present such budget to the Board in compliance with the Local Budget Act. The Executive Director will seek professional assistance if deemed necessary by him or by the Board.

Finding 2013-2 Public Participation in Budgetary Process (Noncompliance)

Criteria: The Local Budget Act, specifically, LRS 39:1307, requires that political subdivisions with total proposed expenditures of five hundred thousand dollars or more from the general fund and any special revenue funds in a fiscal year afford the public an opportunity to participate in the budgetary process prior to adoption of the budget. The detailed requirements for such public participation are as follows: publish a public notice stating that the proposed budget is available for public inspection, that a public hearing on the proposed budget will be held, and the date, time and place of the public hearing (publish at least ten days prior to the first public hearing; and publish in the official journal or if no official journal is required, then in the official journal of the governing authority of the parish that the political subdivision is located); conduct at least one public hearing before the budget is considered for adoption or otherwise finalized; and certify completion of all of these actions by publishing a notice of such in the same manner as required above.

Condition: The Bureau's 2013 budgetary process did not include any public participation although the proposed expenditures of the general fund exceeded five hundred thousand dollars.

Cause: Noncompliance was due to a first time oversight.

Effect: Noncompliance with a provision of the Local Budget Act (Specifically LRS 39:1307).

Recommendation: The Bureau should prepare its budget in accordance with the Local Budget Act and seek professional assistance when needed.

Management's Response: The Executive Director will familiarize himself with the Local Budget Act and ask the members of the Board to do the same. Going forward, the Executive Director intends to prepare the Bureau's budget and present such budget to the Board in compliance with the Local Budget Act. The Executive Director will seek professional assistance if deemed necessary by him or by the Board

Section III Federal Award Findings and Questioned Costs

No Section III Findings.

**Livingston Parish Convention and Visitors Bureau
Schedule of Prior Year Findings and Responses
For The Year Ended December 31, 2013**

Section I Internal Control and Compliance Material to the Financial Statements

Finding 2012-1 Local Budget Act (Noncompliance)

Criteria: LRS 39:1305 requires a comprehensive budget be presented for the General Fund and each Special Revenue Fund. The budget document must include a budget message and a statement. The statement is to include estimated fund balance at the beginning of the year; estimates of all receipts and revenues to be received; revenues itemized by source; recommended expenditures itemized by agency, department, function, and character; other financing sources and uses by source and use; and the estimated fund balance at the end of the fiscal year.

Such statement should include a side by side detailed comparison of such information for the current year, including the fund balance at the beginning of the year, year-to-date actual receipts and revenues received and estimates of all receipts and revenues to be received the remainder of the year; estimated and actual revenues itemized by source; year-to-date actual expenditures and estimates of all expenditures to be made the remainder of the year itemized by agency, department, function, and character; other financing sources and uses by source and use, both year-to-date actual and estimates for the remainder of the year; the year-to-date actual and estimated fund balance at the end of the fiscal year; and the percentage change for each item of information.

Condition: The Bureau did not present its 2012 budget statement in the format prescribed by LRS 39:1305. The 2012 budget statement presented to and approved by the Board included only estimates of all receipts and revenues to be received; revenues itemized by source; recommended expenditures itemized by agency, department, function, and character; other financing sources and uses by source and use; and estimated change in fund balance. The 2012 budget did not include the required side-by-side detailed comparison of the information for the current year. While a comparison of 2012 estimated information to the current year information was performed and evaluated by the Executive Director in preparing the 2012 budget, it was not formally prepared or presented to the Board in the budget statement.

Cause: Noncompliance was due to an oversight.

Effect: Noncompliance with a provision of the Local Budget Act (Specifically LRS 39:1305).

Recommendation: The Bureau should prepare its budget in accordance with the Local budget act and seek professional assistance when needed.

Current Year Status: Finding repeated in current year as Finding 2013-1.

Finding 2012-2 Investments (Noncompliance)

Criteria: LRS 33:2955 outlines the types of investments in which a political subdivision may invest. Specifically, LRS 33:2955 A.(1)(f), allows for investments in mutual or trust funds, which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investment consisting solely of and limited to securities of the United States Government or its agencies. Further, the Bureau's investment policy is to invest funds according to state law (LRS 33:2955).

Condition: The Bureau's investments in mutual funds are in violation of state law and the Bureau's investment policy as the mutual funds have underlying investments that do not consist solely of and are not limited solely to securities of the US government or its agencies.

Cause: Noncompliance was due to a misunderstanding of this particular excerpt of state law.

Effect: Noncompliance with LRS 33:2955 and the Bureau's investment policy.

Recommendation: The Bureau and its financial advisors should ensure a definite and detailed understanding of state laws governing investments and consult state law regarding all investments transaction.

Current Year Status: Resolved.

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Section II Internal Control and Compliance Material to Federal Awards

No Section II Findings.

Section III Management Letter

No Section III Findings.

This schedule was prepared by management.